

VA**U.S. Department
of Veterans Affairs**

News Release

Office of Public Affairs
Media RelationsWashington, DC 20420
(202) 461-7600
www.va.govFOR IMMEDIATE RELEASE
January 22, 1999

Washington, D.C. -- The Department of Veterans Affairs (VA) is announcing a contract for nearly \$1 million with the management consulting firm Price-Waterhouse-Coopers, in conjunction with the American Hospital Association, as part of a series of actions to improve the accuracy of its medical documentation and coding.

The correct coding of diagnoses and medical services -- from initialing patient charts to data entry in VA's sophisticated automated systems -- is critical to health care program planning, validity of health services research, and other programs from quality assurance to resource allocation among VA medical centers. The latest initiative was in response to concerns about the accuracy of VA's insurance carrier billings after samplings demonstrated inconsistencies in facilities' records.

Last year, the VA requested the VA Inspector General and two private consulting firms review the coding for insurance claims. All three reviews found problems.

VA Under Secretary for Health Dr. Kenneth W. Kizer said the coding and medical record documentation challenges faced by VA's frontline clinicians and other staff members are a critical issue with U.S. health care in general, as the accuracy and completeness of records is becoming increasingly important in the competitive environment of effective health care.

"The contract we are announcing today will provide a thorough assessment by outside analysts of where we stand in terms of compliance with the standards and business practices of the Joint Commission on the Accreditation of Healthcare Organizations, the insurance industry, Medicare, and other state and local legal requirements," Dr. Kizer said.

VA believes the new contract and other actions will lead to systemic improvements in the quality and integrity of medical documentation.